

This Instrument Prepared By:  
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Amends Amended and Restated Master Deed of  
record as Instrument No. 200706220105440 in the  
Knox County, Tennessee Register of Deeds Office.

**FIRST AMENDMENT TO AMENDED AND RESTATED MASTER DEED  
OF BAKERTOWN STATION**

WHEREAS, McBride Co., LLC, is the Developer of Bakertown Station Condominiums as set forth in the Amended and Restated Master Deed of Bakertown Station of record as Instrument No. 200706220105440 in the Register's Office for Knox County, Tennessee (hereafter "Master Deed"); and

WHEREAS, Pursuant to Article VIII Section 6 of the Master Deed, Developer reserved the right to amend the Master Deed to correct any inconsistencies or inadequacies therein, so as to meet requirements of lending institutions and agencies, including, but not limited to HUD, and to conform with applicable laws, governmental regulations and statutes; and

WHEREAS, Developer and the Bakertown Station Condominiums Homeowners Association, Inc. (hereafter "Association") wish to amend the Master Deed to conform with various governmental regulations.

NOW, THEREFORE, in consideration of the premises and for the mutual benefit and valuable consideration, Developer and the Association hereby agree to amend the Master Deed as follows:

1. Article IV, Property Rights and Use, Section A, Estate Acquired, is amended to add the following sentence as the last sentence of Section A:

A. The right of a Unit Owner to sell, transfer, or otherwise convey his or her Unit shall not be subject to any right of first refusal or similar restriction.

2. Article VI, Use Restrictions, is amended to add the following as a new Section F:

F. No Unit Owner may lease a Unit to another party unless the lease is in writing, is subject to this Master Deed and the Bylaws of the Association, and provides for an initial term of not less than thirty (30) days.

3. Article VII, Maintenance, Alteration & Improvement, Section 2, Maintenance, Repair and Alteration of General Common Elements, Subsection (a) is amended to add the following at the end of subsection (a):

(a) The Association shall establish an adequate reserve for the periodic maintenance, repair and replacement of the General Common Elements, which shall be funded out of the Common Expense Assessments. For the initial months of project

operations, Developer shall maintain a working capital fund equal to at least a two months' estimated common elements charge for each Unit.

4. Article VII, Maintenance, Alteration & Improvement, Section 9, Developer's Reserved Rights, is amended by adding the following as Subsection (k):

(k) Notwithstanding anything to the contrary set forth herein, Developer's rights to expand and convert are subject to the following HUD policies so long as HUD holds, insures or guarantees any mortgage in the development:

(1) Future improvements will be consistent with initial improvements in terms of quality of construction.

(2) No additional property may be added to the existing development without the prior written consent of HUD at the time such property is to be added. Such consent will not be withheld if the property to be added substantially conforms to a plan of expansion which has been fully described in this Master Deed and the other requirements of HUD policies have been met.

(3) All improvements on the property to be added shall be substantially completed before such property is added to the existing development.

(4) Liens arising in connection with Developer's ownership of, and construction of improvements upon, the property to be added must not adversely affect the rights of existing Unit Owners, or the priority of first mortgages on Units in the existing development. All taxes and other assessments relating to such property, covering any period prior to the addition of the property, must be paid or otherwise satisfactorily provided for by Developer.

5. Article VIII, Other Terms, Section 1, Notices to Mortgagees, is deleted in its entirety and replaced with the following:

1. Notices to Mortgagees. A timely written notice to all Mortgagees requesting such notification in writing shall be provided by the Association as to the following:

(a) Any proposed amendment of the Master Deed, Charter or Bylaws, effecting a change in (i) the boundaries of any Unit or the exclusive easement rights appertaining thereto, (ii) the interests in the General or Limited Common Elements appertaining to any Unit or the liability for common expenses appertaining thereto, (iii) the number of votes in the Association appertaining to any Unit or (iv) the purpose to which any Unit or the Common Elements are restricted.

(b) Any proposed amendment to this Master Deed that requires the consent of a specified percentage of Mortgagees.

- (c) Any proposed termination of the condominium regime.
- (d) Any condemnation or casualty loss that affects either a material portion of Bakertown Station Condominiums or the Unit securing its mortgage.
- (e) Any sixty (60) day delinquency in the payment of Assessments or charges owed by the Unit Owner of any Unit on which it holds the mortgage.
- (f) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

6. Article VIII, Other Terms, Section 2, Insurance, is deleted in its entirety and replaced with the following:

2. Insurance.

(a) Insurance policies covering the items described in this Section shall be purchased and maintained by the Association for the benefit of the Association and the Unit Owners and their Mortgagees as their interests may appear. All policies shall be written with a company licensed to do business in Tennessee and having a rating of Class 13 or better by Best's Insurance Reports. Provision shall be made for the issuance of the certificates of mortgage endorsements to the mortgagees of Unit Owners. If the Board determines that any insurance described herein will not be maintained, the Board shall cause notice of that fact to be hand-delivered or sent prepaid by United States mail to all Unit Owners and Mortgagees.

(b) The Board shall obtain a blanket property insurance policy covering all personal property owned by the Association, and buildings and improvements which are part of the Common Elements in an amount equal to 100% of the current replacement cost, exclusive of land, foundation, excavation and other items normally excluded from coverage. Such coverage shall afford protection against loss or damage by fire and perils normally covered by a standard extended coverage endorsement, and such other perils as are customarily covered with respect to condominiums similar in construction, location and use, including all perils normally covered by the standard "all risk" endorsement. The Association shall obtain appraisals periodically for the purpose of establishing said replacement cost of the project facilities and the actual cash value of the personal property, and the cost of such appraisals shall be a Common Expense. Insurance policies required by this Section shall provide, to the extent reasonably available, that:

1. The insurer waives any right to claim by way of subrogation under the policy against the Developer, the Association, the Board, the officers, the Unit Owners, and their respective agents, employees and invitees.

2. An act or omission of any officer, Board member, Unit Owner, the Developer, managing agent or any invitee, agent, officer or employee of the

foregoing shall not void the policy or be a condition to recovery under the policy without a prior demand to cure in writing to the Board followed by a sixty (60) day failure to cure.

3. If, at the time of loss under the policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the policy of the Association provides primary insurance.

4. Loss must be adjusted with the Association.

5. Insurance proceeds shall be paid to any insurance trustee designated in policy for that purpose, and in the absence of such designation to the Association, in either case to be held in trust for each Unit Owner and such Unit Owner's Mortgagee.

6. The insurer may not cancel or refuse to renew the policy until sixty (60) days after notice of the proposed cancellation or non-renewal has been mailed to the Association, each Unit Owner and each holder of a security interest to whom a certificate or memorandum of insurance has been issued, at their respective last known addresses.

7. The name of the insured shall be substantially as follows: "Bakertown Station Condominiums Homeowners Association, Inc. for the use and benefit of the individual Owners".

(c) Comprehensive general liability insurance, including medical payments insurance, in an amount determined by the Board but in no event less than \$1,000,000.00 covering all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Common Elements and the activities of the Association. Insurance policies carried pursuant to this Section shall provide that:

1. Each Unit Owner is an insured person under the policy with respect to liability arising out of the Unit Owner's interest in the Common Elements or membership in the Association.

2. The insurer waives the right to subrogation under the policy against a Unit Owner.

3. An act or omission by a Unit Owner, unless acting within the scope of the Unit Owner's authority on behalf of the Association, will not void the policy or be a condition to recovery under the policy.

4. If, at the time of a loss under the policy, there is other insurance in the name of a Unit Owner covering the same risk covered by the policy, the policy of the Association provides primary insurance.

5. The insurer issuing the policy may not cancel or refuse to renew it until ten (10) days after notice of the proposed cancellation or non-renewal has been mailed to the Association, each Unit Owner and each holder of a security interest to whom a certificate or memorandum of insurance has been issued at their last known addresses.

(d) Worker's compensation as required by law.

(e) A blanket fidelity bond shall be provided for all officers, directors, and employees of the Association and all other persons handling or responsible for funds held or administered by the Association, whether or not they receive compensation for their services. The bond shall name the Association as obligee and shall cover the maximum funds that will be in the custody of the Association or of the manager at a time while the bond is in force, and in no event less than the sum of three months' Assessments plus reserve funds. The bond shall include a provision that calls for ten (10) days' written notice to the Association, to each holder of a security interest in a Unit, to each servicer or insurer of a mortgage on a Unit and to the Insurance Trustee, if any, before the bond can be canceled or substantially modified for any reason.

(f) Such other insurance as the Board shall determine from time to time to be desirable.

(g) Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense.

(h) The Association is hereby irrevocably appointed agent for each Unit Owner to adjust all claims arising under insurance policies purchased by the Association, and to execute and deliver releases upon the payment of claims.

(i) Each Unit Owner shall obtain insurance on their Unit at its own expense covering its Unit, the Limited Common Elements appurtenant thereto and any portions of the General Common Elements located within its Unit for which the responsibility for insurance has been delegated by the Association. Provided, however, the Unit Owners may, upon resolution of the majority, authorize the Board to negotiate, contract and pay for a "blanket" insurance policy to provide coverage for all Units and those Common Elements and Limited Common Elements, which are appurtenant thereto, as defined herein, similar to the coverage required for the Common Elements or General Common Elements, as heretofore outlined in this Section 2. Said policy shall be without prejudice to the right of each individual Unit Owner to insure its Unit on its own account and for its benefit. No Unit Owner shall be entitled to maintain insurance coverage in such a way as to decrease the amount which the Board, on behalf of all of the Unit Owners, and their Mortgagees, may realize under any insurance policy which the Board may have in force on the Property at any particular time.

(j) Each Unit Owner shall file a certificate of its insurance policy with

the Board within thirty (30) days after purchase of such insurance.

(k) All insurance policies purchased by the Association shall provide that proceeds covering property losses shall be paid to the Association as a trustee, herein referred to as the "Insurance Trustee." Proceeds of insurance policies received by the Insurance Trustee shall be distributed as follows:

(i) All expenses of the Insurance Trustee shall be paid first.

(ii) If the damage for which the proceeds are paid is to be repaired or reconstructed, the proceeds shall be expended as provided herein. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to Unit Owners and their Mortgagees being payable jointly to them. This is a covenant for the benefit of any Mortgagee of a Unit and may be enforced by such Mortgagee.

(iii) If it is determined, as provided herein, that the damage for which the proceeds are paid shall not be reconstructed or repaired, or if there are excess proceeds remaining after a reconstruction and repair, the remaining proceeds shall be distributed to the beneficial Owners, remittances to the Unit Owners and their Mortgagees being payable jointly to them. This is a covenant for the benefit of any Mortgagee of a Unit and may be enforce by such Mortgagee.

(iv) In making distribution to Unit Owners and their Mortgagees, the Insurance Trustee may rely upon a Certificate of the Association as to the names of the Unit Owners and their respective shares of the distribution, and as to whether or not the building is to be reconstructed or repaired.

7. Article VIII, Other Terms, Section 3, Reconstruction or Repair of Damaged Property, is deleted in its entirety and replaced with the following:

3. Reconstruction or Repair of Damaged Property.

(a) If the General Common Elements are damaged, they shall be reconstructed or repaired, unless it is determined by a seventy-five percent (75%) vote (and, if said damage is to the roof, exterior walls, or other General Common Elements that are part of a building containing Units, 100% of the Owners of Units within said building) or it is determined that Bakertown Station Condominiums Regime shall be terminated.

(b) Any restoration or repair of the condominium after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with the Master Deed and the original plans and specifications unless the approval of the Mortgagees of first mortgages on Units to which at least fifty-one percent (51%) of the votes of Units subject to mortgages held by such Mortgagees are allocated, is obtained.

(c) Any election to terminate the condominium regime after substantial destruction or a substantial taking in condemnation of the condominium property must require the approval of the Mortgagees of first mortgages on Units to which at least fifty-one percent (51%) of the votes of Units subject to mortgages held by such Mortgagees are allocated.

(d) No reallocation of interests in the Common Elements resulting from a partial condemnation or a partial destruction of the condominium property may be effected without the approval of the Mortgagees of first mortgages on Units to which at least fifty-one percent (51%) of the votes of Units subject to mortgages held by such Mortgagees are allocated.

8. Article VIII, Other Terms, Section 5, Compliance and Default, Subsection (a) is deleted in its entirety and replaced with the following:

(a) Each Unit Owner shall be governed by and shall comply with the terms of this Master Deed, the Charter, Bylaws and Rules and Regulations of the Association and any other rules or regulations adopted pursuant thereto, and by such documents and regulations as they may be amended from time to time. The Association and other Unit Owners shall have a right of action against a Unit Owner who fails to comply with such documents, rules and regulations. Additionally, the Unit Owners shall have a right of action against the Association if it fails to comply with such documents, rules and regulations.

9. Article VIII, Other Terms, Section 6, Amendment, is deleted in its entirety and replaced with the following:

6. Amendment. Except as otherwise provided herein, this Master Deed may be amended in accordance with the following provisions:

(a) Any amendment shall be approved by a vote of at least sixty-seven percent (67%) of all Unit Owners pursuant to the terms and conditions of the Bylaws.

(b) No amendment shall change any Unit Owner's Allocated Interest or affect the priority of any Mortgage, unless the record Owner of the Unit affected and all lienholders thereon give their approval in writing.

(c) The amendment shall be executed by the officers of the Association and duly recorded in the Register's Office for Knox County, Tennessee. Provided however, that in the event the Developer is exercising its right to amend this Master Deed pursuant to the terms hereof, such signature by officers of the Association shall not be required. Provided, however, that the Developer shall certify that the amendment has been adopted pursuant to the

particular terms hereof such provisions granting the authority of the Developer to so amend this Master Deed. Further, during the Developer Control Period, the Developer shall be entitled to sign and record any amendment so adopted pursuant thereto.

(d) Notwithstanding anything to the contrary herein contained, during the Developer Control Period, the Developer shall have the right to amend this Master Deed, the Charter and Bylaws so as to conform with applicable laws, governmental regulations and statutes. Further, the Developer may amend this Master Deed, Charter and Bylaws to correct any inconsistencies or inadequacies therein, so as to meet requirements of lending institutions and agencies, including but not limited to HUD, and to expedite the completion of construction and sale of the Units or to reflect the assignment of any of the Developer's rights and/or interests in the Property.

(e) Notwithstanding any lower requirement permitted by this Master Deed or the Act, no amendment of any material provisions of this Master Deed and the Exhibits by the Association or Unit Owners described in this section may be effective without the affirmative vote of at least sixty-seven percent (67%) of the Unit Owners and until approval in writing by at least fifty-one percent (51%) of the Mortgagees is obtained. For purposes of this Master Deed a change in, or imposition of, any of the following shall be deemed material:

1. Voting;
2. Assessments, Assessment liens or subordination of Assessment liens;
3. Responsibility for maintenance, repairs and replacement of Common Elements;
4. Rights to use of the Common Elements or the reallocation of the Allocated Interest;
5. The boundaries of any Unit or the exclusive easement rights appertaining thereto;
6. Convertibility of any Units into Common Elements or vice versa;
7. Expansion or contraction of Bakertown Station Condominiums or the addition, annexation or withdrawal of real property to, or from, Bakertown Station Condominiums;
8. Imposition of any restriction on any Unit Owner's rights to sell, lease, or otherwise transfer his unit;



9. Any amendment affecting any decision by the Association to establish self management when professional management has been required previously by a Mortgagee;
10. Any change in the manner of restoration or repair of the Property after casualty;
11. Any amendment affecting actions to terminate the legal status of the condominium regime;
12. Any action affecting insurance or fidelity bonds;
13. Reserves for maintenance, repair and replacement of the Common Elements; or
14. Any amendment affecting provisions that expressly benefit holders of Mortgages or insurers of first mortgages on any Unit.
15. Any amendments to this Master Deed that would change the purposes to which any Unit or the Common Elements are restricted.

10. Except as amended herein, all of the terms and conditions contained within the Amended and Restated Master Deed of Bakertown Station shall remain in full force and effect.

11. This First Amendment to the Amended and Restated Master Deed of Bakertown Station is authorized pursuant to Article VIII, Section 6, of this Master Deed and is to be recorded in accordance with this Section.

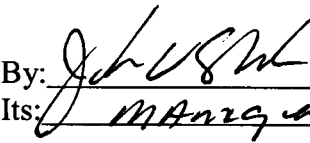
IN WITNESS WHEREOF, Developer and the Association have executed this instrument on the 28 day of April 2008.

DEVELOPER

MCBRIDE CO., LLC

By:   
 John V. McBride, Chief Manager

BAKERTOWN STATION CONDOMINIUMS  
 HOMEOWNERS ASSOCIATION, INC.

By:   
 Its: Manager - PRC

STATE OF TENNESSEE )  
 )  
COUNTY OF KNOX )

Before me, Karen Spires [name of notary], the undersigned authority, a Notary Public in and for said County and State, personally appeared JOHN V. MCBRIDE, with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who, upon oath, acknowledged himself to be the Chief Manager of MCBRIDE CO., LLC, the within named bargainor, a limited liability company, and that he as such Chief Manager being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the limited liability company by himself as Chief Manager.

Witness my hand and seal at office, this 28 day of April 2008.



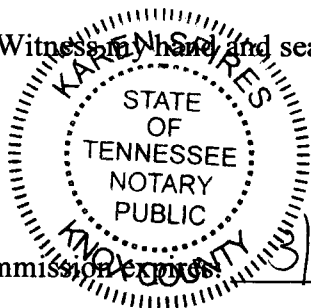
Karen Spires  
Notary Public

My Commission expires 3/14/10

STATE OF TENNESSEE )  
 )  
COUNTY OF KNOX )

Before me, Karen Spires [name of notary], the undersigned authority, a Notary Public in and for said County and State, personally appeared John V. McBride with whom I am personally acquainted, or proved to me on the basis of satisfactory evidence, and who, upon oath, acknowledged himself/herself to be the President of BAKERTOWN STATION CONDOMINIUMS HOMEOWNERS ASSOCIATION, INC., the within named bargainor, a nonprofit corporation, and that he/she as such President being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself/herself as President.

Witness my hand and seal at office, this 28 day of April 2008.



Karen Spires  
Notary Public

My Commission expires 3/14/10

